# GOVERNMENT OF INDIA
# TEXTILES
# LOK SABHA

UNSTARRED QUESTION NO:2068
ANSWERED ON:05.08.2005
JUTE MILLS
Kharventhan Shri Salarapatty Kuppusamy

**Will the Minister of TEXTILES be pleased to state:**

(a) The details of mills located in the country under the management of the National Jute Manufacturers Corporation (NJMC), State-wise;

(b) whether there is continuous decline in production in the above mills during the last three years;

(c) if so, the details thereof;

(d) whether mills under NJMC were referred to Board for Industrial and Financial Reconstruction (BIFR) due to their continuous losses; and

(e) if so, the present status of the case and the fate of the workers engaged in the above mills?

## Answer

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA)

(a): The National Jute Manufactures Corporation Ltd., a Public Sector Undertaking of Govt. of India has six jute mills under its fold. National, Kinnison, Khardah , Alexandra, Union mills are located in West Bengal and the remaining one mill, namely the Rai Bahadur Hadrut Mall (RBHM) Mill is located at Katihar in Bihar.

(b) & (c): Yes, Sir. The production (M/T) for the years is given below:

| | | |
|---|---|---|
| 2003-04 | : | 8144 |
| 2002-03 | : | 13144 |
| 2001-02 | : | 22367 |

(d): Yes, Sir.

(e): The Board for Industrial & Financial Reconstruction (BIFR) vide its Order dated 8.7.2004 ordered the winding up of NJMC Ltd. and referred the matter to the Calcutta High Court for appointment of liquidator for the Corporation. However, the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) vide its Order dated 20.7.2005 stayed the orders of BIFR. In the meanwhile , the Government approved a proposal to reduce the manpower of the NJMC Ltd. by offering VRS to all the employees of the Organisation, including the employees of the Head Office and to extend budgetary support to the extent of Rs 978.00 crores for providing VRS, liquidating statutory arrears , gratuity and secured liabilities of NJMC Ltd. The competent authority has approved the above proposals with the direction that the mills at Kinnison and Khardah will be referred to the Board for Reconstruction of Public Sector Enterprises (BRPSE) and VRS offered to their employees. Accordingly, action has been initiated to offer VRS to the employees and the two mills viz; Kinnison and Khardah jute mills, have already been referred to the BRPSE.